

Message Text

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PAGE 01 KHARTO 02236 061149Z

41

ACTION XMB-07

INFO OCT-01 AF-10 ISO-00 AID-20 CIAE-00 COME-00 EB-11

FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12 SPC-03

CIEP-02 LAB-06 SIL-01 OMB-01 DRC-01 AGR-20 /108 W

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R 061120Z OCT 73

FM AMEMBASSY KHARTOUM

TO SECSTATE WASHDC 7200

LIMITED OFFICIAL USE KHARTOUM 2236

DEPT PASS EXIM

E.O. 11652: N/A

TAGS: EFIN, SU

SUBJ: EXIM-FINANCED LONRHO SUGAR PROJECT

1. DURING CALL ON AMBASSADOR BY LONRHO REPS OCT. 5 THEY NOTED AGREEMENT HAD BEEN REACHED WITH MININDUSTRY BALLAL THAT GOS PURCHASES PRICE FOR PROJECT SUGAR USED DOMESTICALLY WOULD BE LS 55 PER TON. (CURRENT GOS PURCHASE PRICE FOR SUGAR LANDED C&F PORT SUDAN IS LS 99. CONSUMER DALES PRICE IS CURRENTLY LS 170 PER TON WITH GOS RECEIVING THE DIFFERENCE THROUGH CUSTOMS DUTIES AND TAXES.) IN VIEW LONRHO, GOS DECISION IS ADDITIONAL FACTOR SUPPORTING BANKABILITY SUGAR PROJECT. LONRHO REPS ALSO STRESSED (A 1) \$2 1/2 MILLION INCREASE IN THEIR EQUITY TO \$15 1/2 MILLION, AND (B 2) GOS AGREEMENT PLACE SUFFICIENT SUGAR RECEIPTS IN ESCROW ACCOUNT ABOARD TO SERVICE LOAN.

2. LONRHO REPS NOTED THEY HAD MET RECENTLY WITH EXIM OFFICIALS AND HOPED FOR ISSUANCE PC WITHIN NEXT FEW DAYS.

3. COMMENT: ALTHOUGH LONRHO IMAGE IN SUDAN IS MIXED (KHARTOUM A-63 OF JUNE 15, 1972), EMBASSY BELIEVES THAT SUGAR PROJECT WOULD BE IMPORTANT DEVELOPMENT PROJECT
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PAGE 02 KHARTO 02236 061149Z

WITH POSITIVE BENEFITS IN TERMS EXPORT EARNINGS AND IMPORT

SUBSTITUTION. GOS CONTROL OF SUGAR MONOPOLY FOR DOMESTIC
SALES MEANS PROJECT WOULD ALSO MAKE LONG-RANGE CONTRIBUTION
TO GOS FISCAL REVENUES. AS OF POSSIBLE INTEREST, LONRHO REPS
INDICATED PRIVATELY LATER IN DAY THAT ALTERNATIVE JAPANESE
FINANCING AVAILABLE, WHICH WOULD LIKELY PUT IN TRAIN CONSIDERABLE
PROCUREMENT JAPAN.

4. ACTION REQUESTED: APPRECIATE CURRENT STATUS EXIM CON-
SIDERATION LONRHO PC APPLICATION.
BREWER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 06 OCT 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973KHARTO02236
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: KHARTOUM
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731046/aaaabhkz.tel
Line Count: 71
Locator: TEXT ON-LINE
Office: ACTION XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 14 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14-Jan-2002 by kelleyw0>; APPROVED <04-Feb-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXIM-FINANCED LONRHO SUGAR PROJECT
TAGS: EFIN, SU
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005